

DOCKET FILE COPY ORIGINAL

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

RECEIVED

In the Matter of )  
 )  
Joint Petition for ) RM-8380  
Rulemaking to Establish Rules )  
for Subscriber Access )  
to Cable Home Wiring for the )  
Delivery of Competing and )  
Complementary Video Services )

DEC 21 1993

RECEIVED  
OFFICE OF THE CLERK

**COMMENTS OF AMERITECH CORPORATION**

Ameritech Corporation<sup>1</sup> respectfully submits these comments on the Joint Petition for Rulemaking filed by the Media Access Project, the United States Telephone Association ("USTA") and the Citizens for a Sound Economy Foundation (the "Joint Petition").

The Joint Petition asks that the Federal Communications Commission ("FCC" or "Commission") open a rulemaking proceeding to establish a policy granting cable subscribers access to cable home wiring before termination of their cable service. Earlier this year, the Commission issued a Report and Order governing the disposition of cable home wiring after a subscriber terminates service.<sup>2</sup> This rulemaking was mandated by the Cable Television Consumer Protection and Competition Act of 1992 ("Cable Act of 1992").

Due to time constraints, and despite urging from several participants in the proceeding,<sup>3</sup> the Commission declined to extend the scope of the proceeding to include rules which govern disposition of cable home wiring at the time of installation or any other time prior to when the subscriber terminates service. Petitioners believe that cable subscribers should have equal access to cable home

<sup>1</sup> Ameritech Corporation means: Illinois Bell Telephone Company, Indiana Bell Telephone, Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, and Wisconsin Bell, Inc. ("herein referred to as Ameritech").

<sup>2</sup> In the Matter of Implementation of the Cable Television Consumer Protection and Competition Act of 1992, Cable Home Wiring, MM Docket No. 92-260 (released February 2, 1993) ("Report and Order").

<sup>3</sup> E.g., United States Telephone Association, Bell Atlantic Telephone Company and Wireless Cable

No. of Copies rec'd  
List ABCDE

049

wiring, and therefore competing and complementary services, whether or not they have terminated cable service.<sup>4</sup>

Ameritech does not endorse any specific recommendations in the Joint Petition, but does support the idea of opening a rulemaking on the subject of cable home wiring. Moreover, Ameritech believes that this issue must be addressed expeditiously to ensure the development of a competitive environment for the introduction of new video services such as video dialtone. Only by facing this issue forthrightly and developing rules that maximize consumer choice will the objectives of Congress as set forth in the Cable Act of 1992 and the objectives set forth in the Video Dialtone Order be fulfilled.<sup>5</sup>

There is no jurisdictional impediment to the FCC taking action on this issue. As noted in the Joint Petition, the FCC has jurisdiction to address this issue pursuant to previous decisions.<sup>6</sup> In addition to previous case law, the Cable Act of 1992 gave the FCC broad jurisdiction over cable company operations, including protection of consumer interests in the area of cable services.<sup>7</sup> Consequently, there are ample jurisdictional grounds upon which the FCC can address this matter.

From a consumer perspective, the issue is rather straightforward. Consumers want to purchase cable or video services. They want service without regard to such formalities as whether the supplier is a cable company or a telephone company. A great disservice will be done to consumers if they must contend with a maze of complex rules when deciding to try the new innovative services that are being planned by the telephone companies and others.

---

<sup>4</sup> Joint Petition at p. 3.

<sup>5</sup> In the Matter of Telephone Company-Cable Television Cross-Ownership Rules, Sections 63.54 - 63.58, CC Docket No. 87-266, 7 Fcc Rcd 5781 (released August 14, 1992).

<sup>6</sup> Joint Petition at p. 8.

<sup>7</sup> See, e.g., Communications Act of 1934, 47 USC 552, at 632(b)(3).

Consequently, the rules on cable home wiring must allow ease of transfer from one service provider to the other. Two sets of rules -- one for cable companies and one for other providers of video dialtone or other similar services -- will be unacceptable to consumers and the developing video services industry. Customers should have the flexibility to change their service provider instantly without a major interruption of service. Such an environment is a prerequisite to the development of a fully competitive video services market.

The existing rules require the cable operator to inform the cable subscriber -- when the request for termination of service is made -- that the subscriber may purchase the cable home wiring at its replacement costs.<sup>8</sup> The customer may then decide whether to purchase the cable home wiring. If the customer does not agree to purchase the cable home wiring, the cable company may remove it within thirty (30) days of the refusal to purchase.<sup>9</sup>

From the consumer's perspective, thirty (30) days is too long. Even if the new service provider does not intend to reuse the wire, the consumer is faced with a problem. Do they wait thirty (30) days to see if the cable company is going to remove the wiring? Or, do they allow the new service provider to drill new holes in their house and run new wiring? Most consumers will probably want to avoid additional drilling and new holes. This could probably be avoided by prompt removal of existing wiring. The alternative is to wait thirty (30) days -- without service -- to see if the incumbent elects to remove the wiring. The incumbent provider may elect to remove the wiring on the 29th day -- even if the cost of removal exceeds its resale value -- to deny its reuse by a new service provider.

Even for consumers who elect to purchase the existing wiring, the current rules could pose a problem because the rules do not set forth a procedure to ensure

---

<sup>8</sup> Report & Order at ¶ 19.

<sup>9</sup> *Id.* at ¶ 20.

that the transfer of ownership from the cable company takes place promptly. Without regulations setting forth the process, cable companies could unnecessarily delay the transfer.

Comparisons to the Commission's rules on telephone inside wire are an appropriate starting point. The FCC's goals in the proceeding requiring local exchange companies to relinquish ownership of telephone inside wire were to: i) increase competition, ii) promote new entry into the market, iii) produce cost savings for ratepayers, and iv) create an unregulated competitive market.<sup>10</sup> Obviously, the same objectives are applicable to this situation. These goals would be accomplished if the rules allow a new video provider to use the existing cable wiring immediately upon a customer's request for service.

The three pending Petitions for Recommendation of the Report and Order,<sup>11</sup> along with this Joint Petition, suggest that the industry considers the current rules inadequate. The choice of whether to switch to a new provider should depend on the price and quality of service -- not the complexity and delay inherent in making the transfer. Thus, Ameritech urges the FCC to open a rulemaking to fully explore the issue of cable home wiring.

Respectfully submitted,



Pamela J. Andrews  
Attorney for Ameritech  
Room 4H74  
2000 West Ameritech Center Drive  
Hoffman Estates, IL 60196-1025  
(708) 248-6082

Dated: December 21, 1993

---

<sup>10</sup> In the Matter of Detariffing the Installation and Maintenance of Inside Wiring. Second Report and Order, CC Docket No. 79-105, (released February 24, 1986) at ¶ 2.

<sup>11</sup> Petition for Reconsideration of the Nynex Telephone Companies, Petition of Liberty Cable Company, Inc. for Reconsideration and Clarification, and Petition for Partial Reconsideration, filed by the Wireless Cable Association, Inc.

**CERTIFICATE OF SERVICE**

I, Deborah L. Thrower do hereby certify that a copy of the foregoing Comments of Ameritech Corporation has been served on all parties on the attached service list by first class mail, postage prepaid, on this 21st day of December, 1993.

By: Deborah L. Thrower  
Deborah L. Thrower

Gigi B. Sohn  
Andrew Jay Schwartzman  
Attorneys for  
MEDIA ACCESS PROJECT  
2000 M Street, NW  
Washington, DC 20036

Martin T. McCue  
Vice President and General Counsel  
UNITED STATES TELEPHONE  
ASSOCIATION  
900 19th Street, N.W., Suite 600  
Washington, DC 20006-2105

Phillip Mink  
Attorney for  
CITIZENS FOR A SOUND ECONOMY  
1250 H Street, 7th Floor  
Washington, DC 20005

Copy to:  
International Transcription Service  
1919 M Street, N.W., Room 246  
Washington, DC 20554